

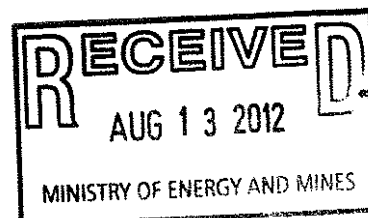


Ministry of
Energy and Mines

August 13, 2012

File: 14675-20-0700098

Dave Vernon
Resource Manager
Ekset Contracting Ltd.
100 - 19429 54TH AVE
Surrey BC V3S 7X2



Dear Mr. Vernon:

**Re: Amended Mines Act Permit G-7-118
Bell Road (38297)**

The above noted permit is amended to set the pit floor elevation at 4.5 metres geodetic C which is 2 metres above the high water table. This is in accordance with the information provided by David Kneale, P.Geo, Senior Hydrogeologist with Active Earth Engineering.

All other conditions of permit G-7-118 remain unchanged.

Sincerely,

Ed Taje
Senior Inspector of Mines

Encl: Amendment request

Cc: Reclamation Section, Victoria

Ministry of Energy and Mines

Mailing Address:
PO Box 9395 Stn Prov Govt
Victoria, BC V8W 9M9
Telephone: (250) 387-4825
Facsimile: (250) 953-3878

Location:
6th Floor
1810 Blanshard Street
Victoria

0700098



August 9, 2012

Project No. 366

Ministry of Energy and Mines
PO Box 9320 Stn Prov Govt
Victoria BC
V8W9N3

ATTENTION: Mr. Ed Taje
Senior Inspector of Mines

REFERENCE: Water Table Elevation
38447 Bell Road, Mission, BC
Permit No. G-7-118

The elevation of the seasonal high water table previously determined to be 7.6 m geodetic. The recommended level of gravel extraction is 2 m above the high water table at 9.6 m elevation.

We trust that this provides the information you require. If you have any questions, please contact the undersigned.

Yours Truly,
ACTIVE EARTH ENGINEERING LTD.

A handwritten signature in black ink, appearing to read "Kneale".

David Kneale, P.Geo.
Senior Hydrogeologist

Distribution - Ekset Contracting Ltd.

Langley
Vancouver
Victoria

Mailing Address:
4510 Saddlehorn Crescent
Langley, BC V2Z 1J6

Telephone: 604 312-3891
Facsimile: 604 856-7598
Website: www.activeearth.ca

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

SAND AND GRAVEL PERMIT
APPROVING WORK SYSTEM AND RECLAMATION PROGRAM
(Issued pursuant to Section 10 of the **Mines Act** R.S.B.C. 1996, C.293)

Permit: **G-7-118**

Mine No.: **0700098**

Issued to: **Ekset Contracting Ltd.**
10200 Sylvester Road
Mission BC V2V 4J1

for work located at the following property:

Bell Road (38297)

This approval and permit is subject to the appended conditions.

Issued February 17, 1993
Amended March 13, 2008
Amended April 12, 2012



Ed Tais
Senior Inspector of Mines

PREAMBLE

Notice of intention to commence work on a sand and gravel pit, including a plan of the proposed work system and a program for the protection and reclamation of the surface of the land and watercourses affected by the Notice of Work dated Thursday, July 7, 2011 was filed with the Inspector of Mines on Thursday, July 7, 2011. Notice of such filing was published in the Abbotsford News on October 6, 2011 and in the Gazette on September 29, 2011.

This permit contains the requirements of the Ministry of Energy and Mines for reclamation. It is also compatible, to the extent possible, with the requirements of other provincial ministries for reclamation issues. The amount of security required by this permit, and the manner in which this security may be applied, will also reflect the requirements of those ministries. Nothing in this permit, however, limits the authority of other provincial ministries to set other conditions, or to act independently, under their respective permits and legislation.

Decisions made by staff of the Ministry of Energy and Mines will be made in consultation with other ministries.

CONDITIONS

The Chief Inspector of Mines (Chief Inspector) hereby approves the work plan and the program for protection and reclamation of the land surface and watercourses subject to compliance with the following conditions:

1. Reclamation Security

- (a) The owner, agent or manager (herein called the Permittee) shall maintain with the Minister of Finance securities in the amount of thirty thousand dollars (\$30,000). The security will be held by the Minister of Finance for the proper performance of the approved program and all the conditions of this permit in a manner satisfactory to the Chief Inspector.
- (b) The Permittee shall conform to all forest tenure requirements of the Ministry of Forests, Lands and Natural Resources. Should the Permittee not conform to these requirements then all or part of the security may be used to cover the costs of these requirements.

- (c) The Permittee shall conform to all Ministry of Environment approval, licence and permit conditions, as well as requirements under the **Wildlife Act**. Should the Permittee not conform to these conditions, then all or part of the security may be used to fulfill these requirements.

2. Land Use

The surface of the land and watercourses shall be reclaimed to the following land use: **Agriculture**.

3. Productivity

The level of land productivity to be achieved on reclaimed areas shall not be less than existed prior to mining on an average property basis unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, the impracticality of doing so.

4. Revegetation

Land shall be re-vegetated to a self-sustaining state using appropriate plant species.

5. Use of Suitable Growth Medium

- (a) On all lands to be revegetated, the growth medium shall satisfy land use, productivity, and water quality objectives. Topsoil and overburden (to rooting depth) shall be removed from operational areas prior to any disturbance of the land and stockpiled separately on the property for use in reclamation programs, unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, that reclamation objectives can otherwise be achieved.
- (b) No topsoil shall be removed from the property without the specific written permission of the Inspector of Mines.

6. Buffer Zones and Berms

Buffer zones and/or berms shall be established between the mine and the property boundary unless exempted in writing by the Inspector of Mines.

7. Treatment of Structures and Equipment

Prior to abandonment, and unless the Chief Inspector has made a ruling otherwise, such as heritage project consideration or industrial use,

- (a) all machinery, equipment and building superstructures shall be removed,
- (b) concrete foundations shall be covered and revegetated unless, because of demonstrated impracticality, they have been exempted by the Inspector, and
- (c) all scrap material shall be disposed of in a manner acceptable to the Inspector.

8. Watercourses

- (a) Watercourses shall be reclaimed to a condition that ensures
 - (1) long-term water quality is maintained to a standard acceptable to the Chief Inspector,
 - (2) drainage is restored either to original watercourses or to new watercourses which will sustain themselves without maintenance, and
 - (3) use and productivity objectives are achieved and the level of productivity shall not be less than existed prior to mining unless the Permittee can provide evidence which demonstrates, to the satisfaction of the Chief Inspector, the impracticality of doing so.
- (b) Water which flows from disturbed areas shall be collected and diverted into settling ponds.

9. Roads

- (a) All roads shall be reclaimed in accordance with land use objectives unless permanent access is required to be maintained.

(b) Individual roads will be exempted from the requirement for total reclamation under condition 9(a) if either:

- (1) the Permittee can demonstrate that an agency of the Crown has explicitly accepted responsibility for the operation, maintenance and ultimate deactivation and abandonment of the road, or
- (2) the Permittee can demonstrate that another private party has explicitly agreed to accept responsibility for the operation, maintenance and ultimate deactivation and abandonment of the road and has, in this regard, agreed to comply with all the terms and conditions, including bonding provisions, of this reclamation permit, and to comply with all other relevant provincial government (and federal government) regulatory requirements.

10. Disposal of Fuels and Toxic Chemicals

Fuels, chemicals or reagents which cannot be returned to the manufacturer/supplier are to be disposed of as directed by the Chief Inspector in compliance with municipal, regional, provincial and federal statutes.

11. Temporary Shutdown

If this sand and gravel pit ceases operation for a period longer than one year the Permittee shall either continue to carry out the conditions of the permit or apply for an amendment setting out a revised program for approval by the Chief Inspector.

12. Safety Provisions

All safety and other provisions of the **Mines Act** shall be complied with to the satisfaction of the Chief Inspector.

13. Monitoring

The Permittee shall undertake monitoring programs, as required by the Inspector of Mines, to demonstrate that reclamation objectives are being achieved.

14. Alterations to the Program

Substantial changes to the program must be submitted to the Inspector of Mines for approval.

15. Notice of Closure

Pursuant to Part 10.6.1 of the Health, Safety and Reclamation Code for Mines in British Columbia, a Notice of Completion of Work shall be filed with the Inspector of Mines not less than seven days prior to cessation of work.

16. Annual Report

Annual reports shall be submitted in a form and containing the information as and if required by the Inspector of Mines.

17. Site Stability

- a) The inspector shall be advised in writing at the earliest opportunity of any unforeseen conditions that could adversely affect the extraction of materials, site stability, erosion control or the reclamation of the site.
- b) The stability of the slopes shall be maintained at all times and erosion shall be controlled at all times.
- c) The discovery of any significant subsurface flows of water, seeps, substantial amounts of fine textured, soils, silts and clays, shall be reported to the inspector as soon as possible and work shall cease until the inspector advises otherwise.

SPECIAL CONDITIONS:

- 1. This permit limits production to 100,000 Bank Cubic Meters annually.
- 2. The manager shall forward to the Inspector a copy of the Annual Report and the Health and Safety Assessment form by March 31 of each year.
- 3. The Mine Manager, or in their absence a Designate, shall allow Employees of other Provincial Ministries holding authorizations related to Compliance and Enforcement duties onto the mine site subject to the following conditions:

- a. the Provincial Employee must present the appropriate Ministry identification; and
 - b. must clearly state that they are acting on behalf of an Inspector of Mines;
 - c. they must be given a site orientation as required by the Health & Safety, and Reclamation Code;
 - d. they must sign-in and sign-out as acknowledgement of being on site;
 - e. they must be accompanied at all times by the Mine Manager, or qualified person appointed by the Manager, and shall take all necessary measures to ensure the safety and well being of the individual(s); and
 - f. this condition is not applicable to other Provincial Legislation.
 4. In the event that an archaeological site is encountered during the course of the approved mining activities, the program shall be suspended or modified in such a manner so as to ensure that the site is not damaged, desecrated or otherwise altered and the occurrence shall be reported immediately to the Archaeological Branch of the Ministry Natural Resource Operations. Work shall not be resumed until authorized by the joint Ministries.
- An Archaeological Chance Find Procedure (ACFP) for this site shall be developed within 3 months of the date of this permit:
- a. A copy of the procedure shall be posted at the Mine Site, and all workmen shall be trained in the implementation of this procedure.
 - b. A copy of this procedure shall be filed with the Inspector.
 5. The manager shall, prior to starting operations, notify the Inspector of their anticipated start date.
 6. The operator shall ensure that the proposed exploration activities do not affect nesting birds, especially under Section 34 of the *Wildlife Act*. Typical species of interest would be Heron, Eagle, Peregrine Falcon, Spotted Owl and primary cavity nesters.
 7. All work shall be suspended during any forest closures relating to extreme fire hazard conditions as determined by the Ministry of Forest, Lands and Natural Resources. Firefighting equipment shall be maintained on the site in accordance with the Forest Fire Prevention and Suppression Regulation.
 8. Topsoil and overburden shall be stockpiled, protected from erosion and used to rehabilitate the site upon completion of mining. The area shall be replaced with native species ecologically suited for the site.

9. All site access shall be secured with a locking gates and signage provided indicating the operators name and emergency contact number, as well as all necessary safety advisories.
10. Property boundaries, right of ways, limits of pit development, environmental setbacks, etc shall be marked prior to commencing operations. Such marking shall be maintained over the course of pit operations and all persons working on the site are instructed as to the meaning of the markings.
11. Roads created or utilized within the permitted area shall be provided with adequate drainage and appropriately ditched as part of the site water management plan.
12. Open trenches and pits/ponds shall be fenced or otherwise
13. The site shall not be used for any other purpose than that described in the Notice of Work. Disused or damaged equipment shall not be stored on site and the site shall not be used for the disposal of items including but not restricted to, garbage, wood waste, toxic materials, and petroleum waste.
14. Suitable measures shall be taken to protect against inadvertent access to the settling pond(s), wells, trenches etc.
15. Unless otherwise approved, this permit does not authorize the importation of any fill material.
16. If, for the purpose of reclamation, imported material is required, the manager shall submit an application for an amendment.
17. The Permittee shall under take monitoring programs, as directed by an Inspector of Mines to demonstrate and ensure all environmental and reclamation objectives are achieved.
18. Timber debris shall not be buried or placed as pit backfill but shall be disposed of in an appropriate manner and at the earliest possible opportunity.
19. Machinery operating near a watercourse and/or settling pond shall be in good repair and free of oil leaks and free of surface oil and grease

20. Absorbent pads and spill kits of adequate size shall be maintained on site during the course of operations and the manager shall ensure that all employees are trained in their use. The absorbent pads and spill kits shall be located in all areas of the mine where work is being conducted.
21. Suitable methods of dust control, including water sprays, shall be utilized to mitigate dust created from mining/processing operations including haulage on site. In addition, a log book shall be kept to record the date, time and person whom applies the dust control. If multiple methods and/or applications are required, each instance shall be logged.
22. The Permittee shall immediately contain and implement remedial measures for any spill of hydrocarbon or other deleterious substance at the mine site. Any such occurrence shall be reported to the District Inspector, and to the Provincial Emergency Program in accordance with the Spill Reporting Regulation of the Environmental Management Act. Contaminated materials shall be disposed of in a manner acceptable to the Regional Waste Manager. Any spill of hydrocarbons requiring reporting under the Transportation of Dangerous Goods regulations shall be considered a Dangerous Occurrence.
23. All waste and refuse shall be removed from the site weekly.
24. Stationary engines shall be provided with drip pans that shall be cleaned on a regular basis.
25. Bulk storage of fuel onsite is not permitted by this permit.
26. An area required for the refuelling of equipment shall be designed which consists of an impermeable layer or barrier to mitigate the introduction of deleterious substances into the surrounding environment.
27. A water management and monitoring system shall be developed by a registered professional in the appropriate discipline to protect the adjacent aquifer. This shall include the monitoring of one or more of the wells that are located at 38447 Bell Road. If the construction of structures is required to mitigate the release of fugitive waters, they must be constructed to a standard that will withstand a 1 in 200 year weather event. The program shall address but not be limited to the requirements below;

- a. The high ground water table shall be re-established by the creation or use of a new or existing well on or suitably adjacent to the mining area. The pit floor shall be maintained at 10 metres above the identified high ground water table.
 - b. Continuous water level monitoring shall be undertaken in advance of extraction, and:
 - i. A monitoring well shall be established within the mine, defined in the mining sequence, and records shall be kept of water levels.
 - c. A minimum of 8 (2 each season) readings shall be taken at each well, the records shall be kept at the mine, and made available to an inspector on request.
28. Sediment laden water resulting from mining activities, including surface drainage, shall not be allowed free access to creeks or water courses but shall be suitably contained and /or treated to produce final effluent not exceeding 25 mg/l total suspended solids prior to discharge.
29. Machinery shall not be operated in a water course or riparian area.
30. The Permittee shall ensure that a buffer is maintained between any watercourse or riparian area and the area of excavation. (Refer to the Health, Safety and Reclamation Code for Mines in British Columbia, Part 9, Table 9.1, Riparian Setback Distances.)
31. The manager shall establish a suitable system to mitigate fugitive noise around the crushing and screening equipment.
32. The manager shall maintain records of all public complaints received.
33. If this mine ceases operation for a period longer than one year, the Permittee shall either continue to carry out the conditions of the permit or apply for an amendment setting out a revised program for approval by the Chief Inspector.
34. To conduct any activities not described Notice of Work, or within the approved permit, the permittee shall submit a written application.

35. Upon completion of resource extraction activities: unless otherwise stated by the Chief Inspector;
- i. all machinery, equipment and building superstructures shall be removed,
 - ii. concrete foundations shall be covered and revegetated unless, because of demonstrated impracticality, they have been exempted by the Inspector, and
 - iii. all scrap material shall be removed from the site and disposed of in an appropriate manner.
 - iv. Pit walls, residual stockpiles and waste dumps shall be contoured to slopes no steeper than 2:1 (2 horizontal to 1 vertical).
 - v. Natural drainages shall be re-established.
 - vi. Access roads and the pit floor shall be ditched and scarified where applicable.
 - vii. Enclosed drainage structures shall be removed and replaced with stable self maintaining installation.


**Ministry of Energy, Mines and
Petroleum Resources**
**Sand and Gravel/Quarry Operation
Notice of Work and
Reclamation Program**

The information on this form and any supporting documents are subject to the *Freedom of Information and Protection of Privacy Act*. The information requested on this form is collected and used for the purpose of administering the *Mines Act* of British Columbia and the *Health, Safety and Reclamation Code for Mines in British Columbia*. The *Mines Act* authorizes the collection of the requested information on this form. The completed form is routinely available to the public. Questions about how the *Freedom of Information and Protection of Privacy Act* applies to the information collected on this form can be directed to the Office of the Information and Privacy Commissioner—phone: (250) 387-5629; fax: (250) 387-1696; mailing address: PO Box 9038 Stn. Prov. Govt. Victoria, British Columbia, V8W 9A4

Application is for: ☒ Sand and Gravel Mine ☐ Rock Quarry
 This application is for (check one):
☐ Development ☒ Amendment to existing permit Permit # G-7-118
 Application is being made by:
☐ Owner (Private property)
☒ Operator/Agent (Person or company making application on Crown land or on private property not owned by applicant)
 Name DAVE VERNON E-mail Address: d.vernon@shaw.ca
 Company (if applicable) EKSET CONTRACTING LTD
 Address 100-19429-54th AVENUE
 City SURREY Bus. Phone (604) 220-4677
 Province BC Postal Code V3S 7X2 Fax (604) 534-6325

LOCATION INFORMATION - Maps are mandatory under Schedule A

Name of Mine (What will the operation be called when in production?):
 Legal Description of Property: East Half of the South East 1/4 Section 4, Twp. 21,
NEW WESTMINSTER DISTRICT, Except Parcel 'A'. Plan 5133 NWD, PID 013-421-620
 Street Address of Property, if applicable: #38447 BELL ROAD
MISSION, BC
 Access route from nearest town to property: 7 km East of Mission on Hwy 7 Turn Left on Hawkins
Pickle Road go for 4 km then turn left on Canfor Logging Road to Bell Road.
 B.C. Geographic System Map Sheet Number(s) [i.e. TRIM 093L.006] 092 G1 MISSION
 Northing: 5447900 N Easting: 561,100 E UTM Zone: 10
 or NTS Map Sheet Number(s) [i.e. NTS 093L/14E]: 092 G020
 Latitude: 49° 10' 01" Longitude: 122° 09' 01"

OWNERSHIP (Complete a, b or c if the land is not privately held by applicant)

a) Proposed mine is on private land:

Name of property owner S22
 Address S22
 City MISSION Bus. Phone ()
 Province BC Postal Code Fax ()

Signature of owner agreeing to the mining operation proposed in this application (or attach letter of authorization signed by owner):

Name: Letter of Authorization attached

Date: **RECEIVED**

b) Proposed mine is on Crown land:

Assets and Lands Corporation (BCAL) file reference number: N/A

License of Occupation/Lease number: N/A Expiry date of License/Lease (y/m/d): N/A

JUL 07 2011 76888

c) Proposed mine is a mineral quarry (as defined under the Mineral Tenure Act):

What mineral is proposed to be mined? N/A

Mineral Claim/Lease Tenure Number(s): N/A

Ministry Of Forests, Lands and Natural Resource Operations
 FrontCounter BC
 Log No. 31335 NRD
SK

MANAGEMENT

Correspondence regarding this application should be sent to: ☐ Owner or ☒ Operator/Agent

The mine manager (*Mines Act* Sections 21 and 22) responsible for management and operation of the mine will be:

Name: DAVE VERNON

Bus. Phone: (604) 220-4677



MINE DEVELOPMENT PLAN (Maps are mandatory - please refer to Schedule A)

Unless otherwise required by the Inspector, complete the following mine development plan and prepare development maps and cross sections based on a period of 5 years or less. Mines operating for longer than 5 years, may be required to file updated Notices of Work every 5 years over the life of the mine at the discretion of the District Inspector.

Proposed start date (y/m/d): 2011/10/15

Proposed finish date (y/m/d): 2017/12/31

The mining operation will generally be (check one)

- ☒ Continuous (operates throughout the year)
☐ Seasonal, usually operates from _____ to _____
☐ Intermittent (occasionally operates with extended periods of inactivity)

Estimate total mineable reserves over the life of the mine: 1,115,400 tonnes, or 514,000 m³

Estimated annual extraction from site: 217,000 tonnes/yr, or 100,000 m³/yr

Application must be made to the Environmental Assessment Office if estimated extraction for sand/gravel production is 500,000 tonnes/yr. or 1,000,000 tonnes over 4 years; or if estimated extraction is 250,000 tonnes/yr. for quarried product.

Mineral quarries producing more than 1000 tonnes per year per claim require a mining lease.

Description of Work (Check appropriate boxes):

- ☒ Excavation of Pit Run
☒ Crushing
☒ Mechanical Screening
☐ Washing - please complete Schedule B
☐ Blasting - please complete Schedule C
☐ Timber Clearing * - estimate volume of timber: _____ m³

* Timber Clearing on Crown Land requires a Free Use Permit or License to Cut from the Ministry of Forests

Provide a brief description of operation, including proposed work schedule (i.e. hours, days of usual operation):

REMOVE TREES BY FORESTRY CONTRACTOR
REMOVE SOIL/OVERBURDEN STOCKPILE FOR RECLAMATION
EXCAVATE GRAVEL TO MINIMUM OF 2.0 M ABOVE
SEASONAL HIGH WATER TABLE.
BACKFILL PIT WITH IMPORTED APPROVED MATERIAL
OPERATING HOURS 7:00 AM - 6:00 PM. 6 DAYS / WEEK

Equipment List: (Please attach separate list if space provided below is insufficient)

Type of Machine	Make/Model	Size/Capacity	# on Site
DOZER	CAT or similar	D 8 SIZE	1
EXCAVATOR	CAT "	2.0 m Bucket	1
FRONT END LOADER	CAT "	2.0 m "	1
EXISTING PROCESSING PLANT	INTERMITTENT ON SITE		1
OFFICE TRAILER -	WEIGH SCALE		1

Surface Disturbance - Information provided must be documented in development maps submitted under Schedule A

(Note that 10,000 m² = 1 hectare)

Existing Disturbance (Work areas, unreclaimed areas, access roads, etc.) _____ m², or NIL hectares

Proposed Mining Disturbance (New work areas, settling ponds, access roads, buildings, etc. to be developed within the time frame of this Notice of Work) 62,000 m², or 6.2 hectares

Total Disturbed Area (Existing + Proposed Disturbance) 62,000 m², or 6.2 hectares

Will any portion of this disturbance be reclaimed within the time frame of this Notice of Work?

- ☒ No
☐ Yes - state size of area to be reclaimed: _____ m², or _____ hectares

Estimated Cost of Reclamation:

Applicant \$ 5,000 EXISTING BOND ON G-7-118
Mining Division \$ _____

C&F LAND RESOURCE CONSULTANTS LTD.

*4383 Happy Valley Road, Victoria, B.C. V9C 3Z3
(250)474-5072; fax:(250)474-5073; Email: cflrc@shaw.ca*

May 30, 2011

Mr. Ed Taje
Ministry of Energy Mines and Petroleum Resources
P.O. Box 9320, Stn. Prov. Govt.
Victoria, B.C. V8W 9N3

Dear Mr. Taje:

Re: 38477 Bell Road, Dewdney, B.C.; Addition to Mines Act Permit #G-7-118

I have been asked by Ekset Contracting Ltd to act as Supervising Professional for aggregate extraction, fill replacement and final rehabilitation to an acceptable reclamation standard of the property described above. I am an Agrologist specializing in land reclamation and am a Qualified Professional in this field.

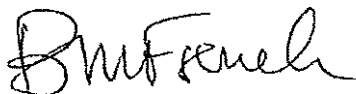
I am prepared to undertake this responsibility and will carry out regular monitoring of the site to ensure that the terms of the Mines Act Permit are fulfilled. In particular, since fill will be imported onto the site from other areas, the operator must ensure that any material imported onto the site is free from contaminants and meets the standards for industrial land use under the Contaminated Site Regulation. Records of every source site must be maintained by the operator including the civic address, type of material, name of hauler and dates when the material was deposited. In addition, a map of the site shall be maintained by the operator showing the approximate location where the material was deposited.

I, or a trained and qualified representative, will visit the site on a regular basis to monitor conformance to these conditions. I will prepare a final report certifying the work completed as specified upon completion of the work. I will notify the Ministry of Mines if I observe any significant deviation from the approved work.

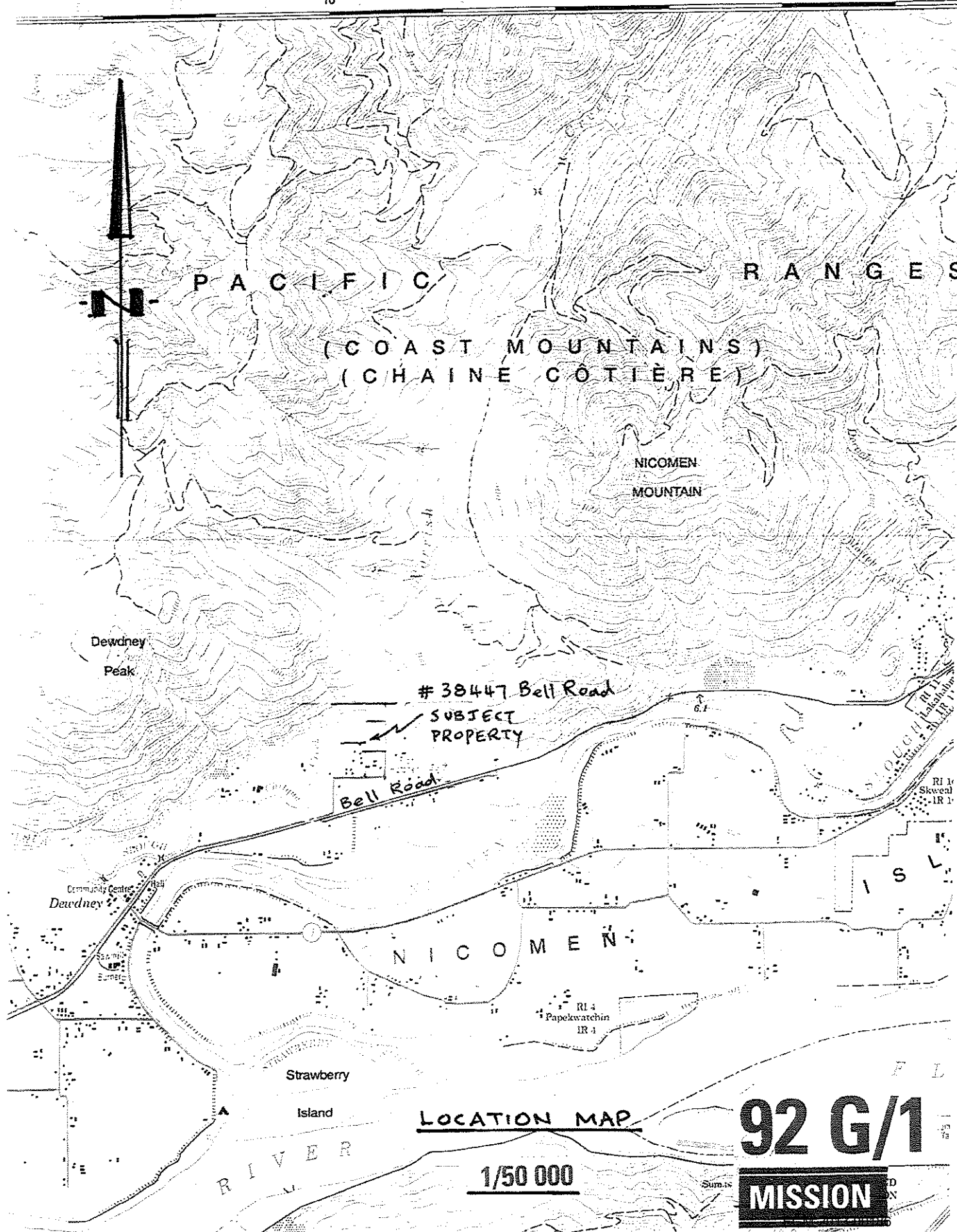
I trust this will satisfy your requirements for monitoring and supervision of this project.

Yours very truly,
C & F LAND RESOURCE CONSULTANTS LTD.

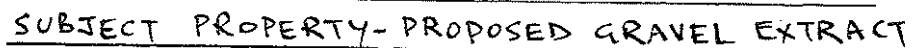
Per:



Brian M. French, P.Ag.
Cc: Dave Vernon



N.W. 1/4 SEC.3 TP. 21





Ministry of
Energy and Mines

Thursday, April 12, 2012

File: 14675-20-0700098

Dave Vernon
Resource Manager
Ekset Contracting Ltd.
10200 Sylvester Road
Mission BC V2V 4J1

Dear Mr. Vernon:

**Re: Amended Mines Act Permit G-7-118, Property: Bell Road (38297)
Approval # 12-0700098-0314**

Please find enclosed your amended Mines Act permit, which authorizes quarry activities as detailed in the Notice of Work and Reclamation Program dated Thursday, July 7, 2011. The Notice of Work and Reclamation Program form part of your permit, and you are reminded that you may not depart from the permitted program without written authorization.

Please ensure that you and all persons who are carrying out activities in accordance with this permit comply with all terms and conditions of the permit and are familiar with the permitted work program.

This permit applies only to the requirements under the *Mines Act* and Health, Safety and Reclamation Code for Mines in British Columbia (Code). Other legislation may be applicable to the operation and you (the Permittee) may be required to obtain approvals or permits under that legislation.

Your previously submitted reclamation security deposit in the form of a Letter of Credit in the amount of five thousand dollars (\$5,000.00), along with your new security deposit in the form of a Letter of Credit in the amount of twenty five thousand dollars (\$25,000.00), gives you a total reclamation security in the amount of thirty thousand dollars (\$30,000.00) for permit G-7-118. The security may be adjusted on the basis of reclamation performance, field inspections by this ministry and on reports which may be requested.

Health and Safety inspections fall under the jurisdiction of the Mining Division of the Ministry of Energy & Mines. A fee for this service is collected through the Mine Health and Safety Inspection Fee. The fee structure is based on annual production in metric tonnes for the period January 1st through December 31st. You will receive the remittance forms and a payment schedule in December of each year with payment due by January 31st of the new year.

For further information regarding the Health and Safety Inspection Fee, please contact your regional office or Cindy Head at the Mineral, Oil and Gas Revenue Branch in Victoria at (250) 356-1366.

Please provide me with written notice at least 7 days prior to ceasing work on the program. When activity on the site is finished and reclamation completed, please forward to this office a request for cancellation of permit and return of security.

Sincerely,



Ed Taje
Senior Inspector of Mines

Encl: Permit/NOW/Letter of Credit

Cc: Reclamation Section, Victoria
Bank of Montreal

Pages 21 through 22 redacted for the following reasons:

S.21